



# Grain Transportation Report

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## Contents

Grain  
Transportation  
Indicators

Rail  
Transportation

Barge  
Transportation

Truck  
Transportation

Grain Exports

Ocean  
Transportation

Contacts  
and  
Links

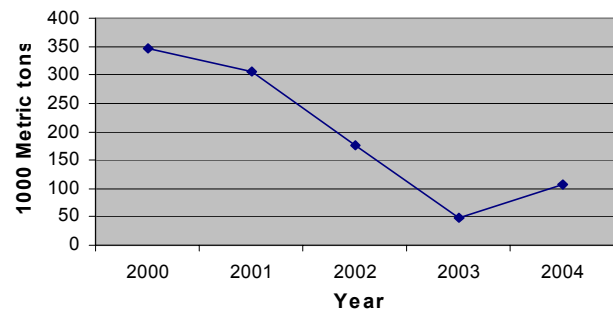
Subscription  
Information

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The next  
release is  
Sept. 23, '04

**Great Lakes Soybean Inspections Rise Significantly.** According to the Federal Grain Inspection Service (FGIS), inspections of soybeans shipped from the U.S. Great Lakes export region totaled 108,000 metric tons from the beginning of this year through September 2, up 120 percent from last year, but 58 percent below the 5-year average (see Figure 1). Inspections of soybeans for export from Great Lakes ports reached a high of 346,000 metric tons in 2000, but have trended downward since then, reaching a low of 49,000 metric tons last year. Great Lakes soybean exports usually represent 6 to 8 percent of total U.S. soybean exports annually. Trade throughout the region consists of five major lakes and the St. Lawrence Seaway. Agricultural products usually account for over 40 percent of total trade in the area. Higher soybean shipments through the Lakes region during the first half of 2004 are due, in part, to more favorable ocean freight rates in the region. Normally, soybean inspections in the region begin each year in early spring; peak during late fall; and end during mid December due to ice.

According to FGIS, most shipments of soybeans from the Great Lakes region are inspected for export to Belgium, the Netherlands, China, and Spain. In contrast, inspections of soybeans for export from other major U.S. port regions are down significantly from last year (see Table 13).

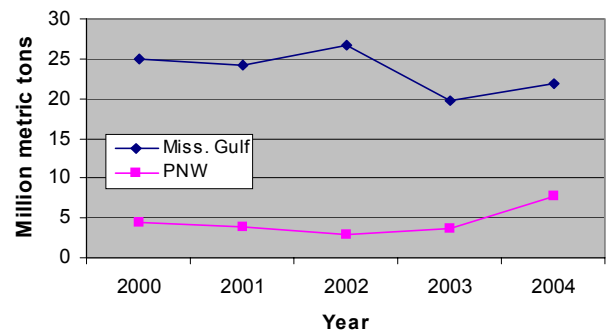
**Figure 1-- YTD Great Lakes Soybean Inspections, 2000-2004**



Source: USDA/FGIS

**Corn Inspections Increase in the Gulf and PNW.** Inspections of corn for export from the U.S. Gulf and the Pacific Northwest (PNW) from the beginning of this year through September 2 are up significantly from last year. Inspections of corn for export from the Mississippi Gulf totaled 21.79 million metric tons, up 10 percent from last year, but 10 percent below the 5-year average (see Figure 2). Inspections of corn for export from the PNW increased to a record 7.65 million metric tons, up 113 percent from last year and up 87 percent above the 5-year average. Increased PNW corn inspections during the first half of 2004 are due in part to lower ocean freight rates compared to other regions. Increased PNW corn exports to Asia can be attributed to lower stocks of corn available in China and Japan this year. Asia usually captures over 95 percent of PNW's corn exports. A sizeable increase in U.S. corn exports is expected for the 2004/05 season.

**Figure 2-- YTD Miss. Gulf and PNW Corn Inspections, 2000-2004**



Source: USDA/FGIS

Annually, about 24 percent of Gulf corn inspected for export is shipped to Japan and Mexico. According to the USDA Foreign Agricultural Service (FAS), corn exports (through June) are down 14 percent to Mexico but up 2 percent to Japan. Exports to China for the same period are up 16 percent from last year due to less worldwide competition.

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# Grain Transportation Indicators

**Table 1--Grain transport cost indicators\***

|                         | Truck | Rail | Barge | Ocean |         |
|-------------------------|-------|------|-------|-------|---------|
| Week ending             |       |      |       | Gulf  | Pacific |
| 09/15/04                | 126   | 147  | 197   | 236   | 238     |
| Compared with last week | ↑     | ↑    | ↑     | ↑     | ↑       |

\*Indicator: Base year 2000 = 100; Weekly updates include truck = diesel (\$/gallon); rail = nearby secondary rail market (\$/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan (\$/metric ton)

Source: Transportation & Marketing Programs/AMS/USDA

**Table 2--Market update: U.S. origins to export position price spreads (\$/bushel)**

| Commodity | Origin--destination | 9/10/2004 | 9/3/2004 |
|-----------|---------------------|-----------|----------|
| Corn      | IL--Gulf            | -0.53     | -0.45    |
| Corn      | NE--Gulf            | -0.30     | -0.26    |
| Soybean   | IA--Gulf            | -0.25     | -0.35    |
| HRW       | KS--Gulf            | -0.83     | -0.87    |
| HRS       | ND--Portland        | -1.60     | -1.26    |

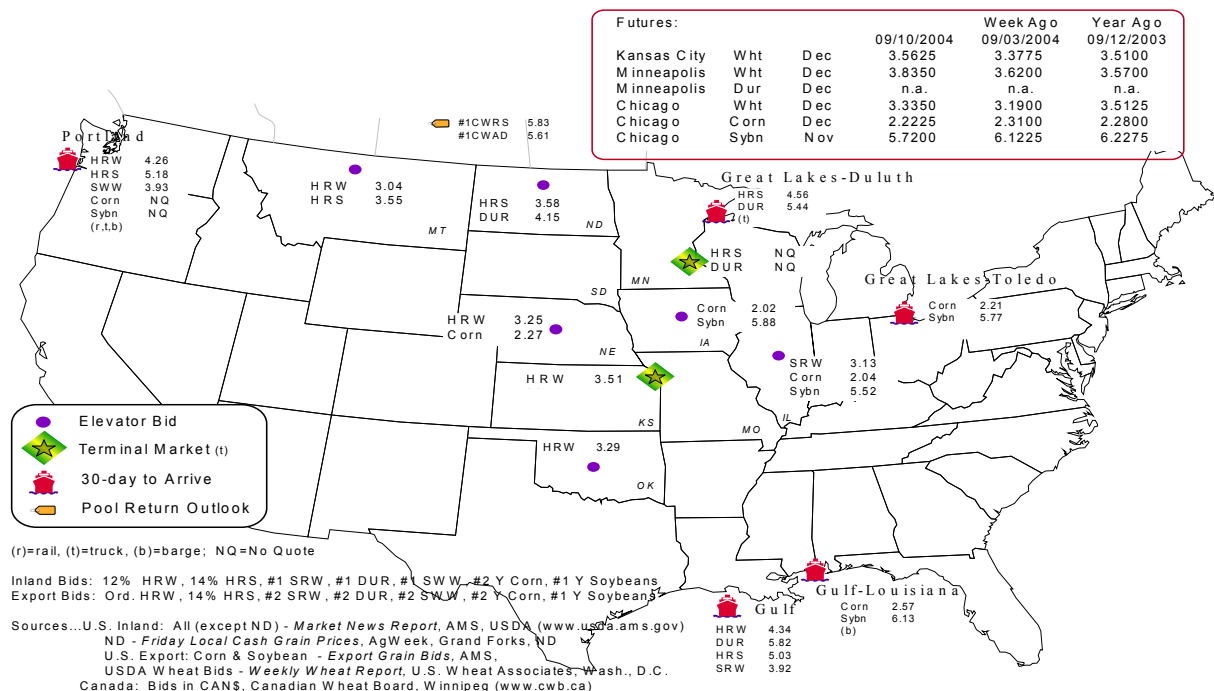
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

## Grain bid summary



# Rail Transportation

**Table 3--Rail deliveries to port (carloads)\***

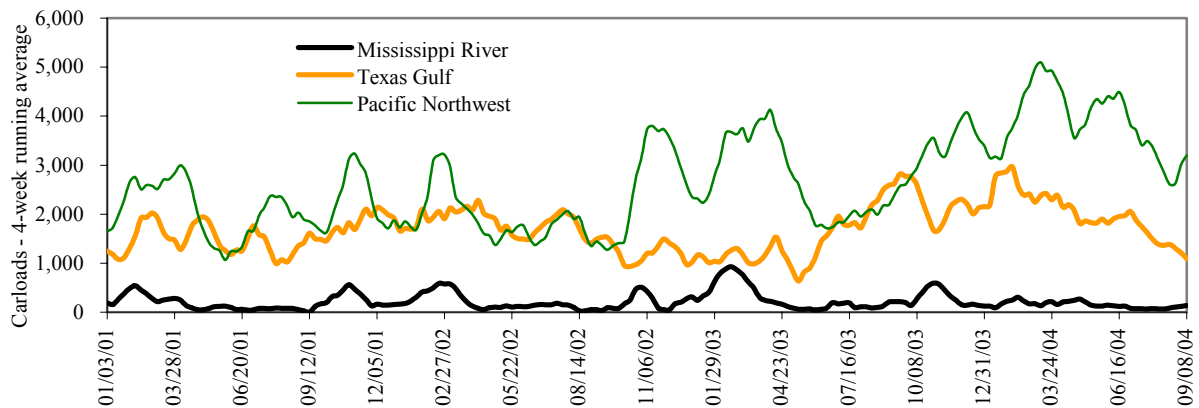
| Week ending            | Mississippi Gulf | Texas Gulf | Pacific Northwest | Atlantic & East Gulf | Total   |
|------------------------|------------------|------------|-------------------|----------------------|---------|
| 9/08/2004 <sup>p</sup> | 122              | 791        | 3,123             | 57                   | 4,093   |
| 9/01/2004 <sup>r</sup> | 92               | 1,051      | 3,869             | 28                   | 5,040   |
| 2004 YTD               | 5,469            | 70,546     | 139,773           | 4,969                | 220,757 |
| 2003 YTD               | 10,516           | 52,831     | 96,028            | 12,100               | 171,475 |
| 2004 as % of 2003      | 52               | 134        | 146               | 41                   | 129     |
| Total 2003**           | 14,934           | 88,118     | 150,530           | 20,509               | 274,091 |
| Total 2002             | 10,937           | 84,625     | 111,832           | 20,842               | 228,236 |

(\*) Incomplete Data; (\*\*) Excludes 53rd week; YTD = year-to-date; p = preliminary data; r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

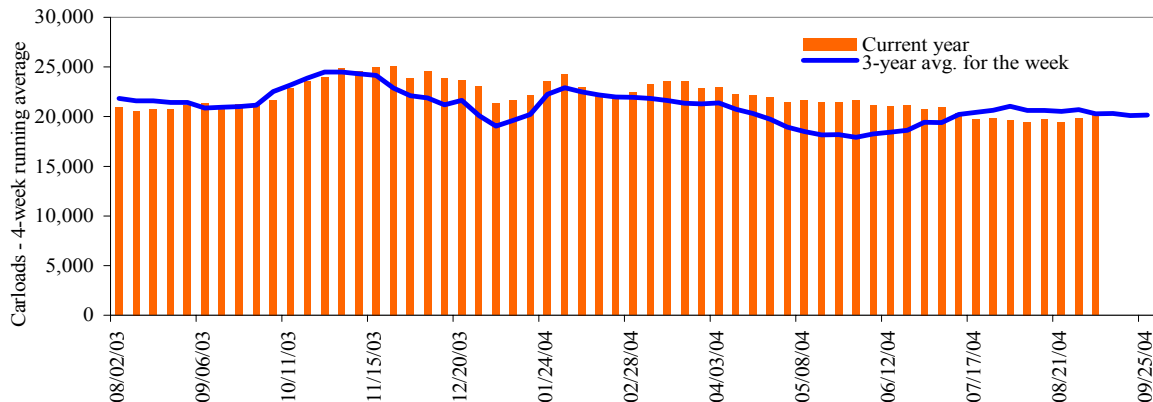
## Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3

## Total weekly U.S. grain car loadings for Class I railroads



Source: Association of American Railroads

**Table 4--Class I rail carrier grain car bulletin (grain carloads originated)**

| Week ending         | East    |         | West    |        |         | U.S. total | Canada  |         |
|---------------------|---------|---------|---------|--------|---------|------------|---------|---------|
|                     | CSXT    | NS      | BNSF    | KCS    | UP      |            | CN      | CP      |
| 09/04/04            | 2,245   | 2,981   | 8,665   | 538    | 5,842   | 20,271     | 3,310   | 3,929   |
| This week last year | 1,758   | 2,592   | 9,146   | 624    | 6,424   | 20,544     | 3,587   | 3,857   |
| 2004 YTD            | 96,494  | 112,825 | 302,359 | 17,123 | 225,757 | 754,558    | 162,561 | 137,521 |
| 2003 YTD            | 94,334  | 112,487 | 257,839 | 13,843 | 223,584 | 702,087    | 121,062 | 126,810 |
| 2004 as % of 2003   | 102     | 100     | 117     | 124    | 101     | 107        | 134     | 108     |
| Total 2003*         | 146,395 | 171,260 | 416,371 | 24,506 | 336,079 | 1,094,611  | 197,993 | 198,185 |

Source: Association of American Railroads (www.aar.org); YTD = year-to-date; \* Excludes 53rd week

**Table 5--Rail car auction offerings, week ending 09/11/04 (\$/car)\***

| Delivery for:     | Oct. 04  | Nov. 04 | Dec. 04  |
|-------------------|----------|---------|----------|
| BNSF <sup>1</sup> |          |         |          |
| COT/N. grain      | \$0      | \$0     | \$0      |
| COT/S. grain      | \$8      | no bid  | \$4      |
| UP <sup>2</sup>   |          |         |          |
| GCAS/Region 1     | no offer | \$1     | no offer |
| GCAS/Region 2     | no bid   | no bid  | no offer |

\*Average premium/discount to tariff, last auction

<sup>1</sup>BNSF - COT = Certificate of Transportation

N includes: ID, MN, MT, ND, OR, SD, WA, WI, WY, and Manitoba, Canada.

S includes: CO, IA, IL, KS, MO, NE, OK, TX, NM, AZ, CA, UT, and NV.

<sup>2</sup>UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

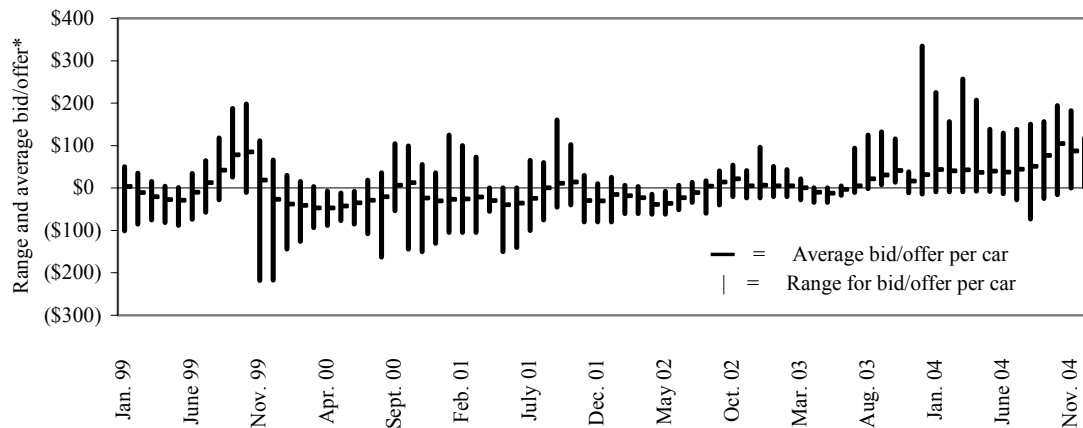
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

Source: Transportation & Marketing Programs/AMS/USDA

Rail service may be ordered directly from the railroad via **auction** for guaranteed service or tariff for nonguaranteed service or through the secondary market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4  
Secondary rail car market, delivery month-year



\*up to 6 months of trading

Source: Transportation & Marketing Programs/AMS/USDA

**Average bid/offer** is the simple average of all the weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

**Range for bid/offer** shows the range of average weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Table 6--Weekly secondary rail car market, week ending 09/10/04 (\$/car)\*

|                       | Delivery period |         |         |          |
|-----------------------|-----------------|---------|---------|----------|
|                       | Oct. 04         | Nov. 04 | Dec. 04 | Jan. 05  |
| BNSF-GF               | \$52            | \$31    | \$28    | no offer |
| Change from last week | \$68            | \$31    | \$26    | n/a      |
| UP-Pool               | \$51            | \$55    | \$30    | no offer |
| Change from last week | \$35            | \$27    | \$15    | n/a      |

\*Average premium/discount to tariff, \$/car-last week

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,

Missing value = no bid quoted; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

**Table 7--Tariff rail rates for unit and shuttle train shipments\***

| <b>Effective date:</b>       |                     |                    |                 |                        |                      |
|------------------------------|---------------------|--------------------|-----------------|------------------------|----------------------|
| 9/7/2004                     |                     |                    |                 |                        |                      |
|                              | <b>Origin</b>       | <b>Destination</b> | <b>Rate/car</b> | <b>Rate/metric ton</b> | <b>Rate/bushel**</b> |
| <b><u>Unit train*</u></b>    |                     |                    |                 |                        |                      |
| Wheat                        | Minneapolis, MN     | Houston, TX        | \$2,120         | \$23.37                | \$0.64               |
|                              | Kansas City, MO     | Galveston, TX      | \$1,920         | \$21.16                | \$0.58               |
|                              | Minneapolis, MN     | Portland, OR       | \$4,148         | \$45.72                | \$1.24               |
|                              | St. Louis, MO       | Houston, TX        | \$2,095         | \$23.09                | \$0.63               |
|                              | Kansas City, MO     | Laredo, TX         | \$2,380         | \$26.23                | \$0.71               |
|                              | Chicago, IL         | Albany, NY         | \$1,834         | \$20.22                | \$0.55               |
|                              | Chicago, IL         | Richmond, VA       | \$1,961         | \$21.62                | \$0.59               |
|                              | Minneapolis, MN     | Portland, OR       | \$3,240         | \$35.71                | \$0.91               |
| Corn                         | Chicago, IL         | Baton Rouge, LA    | \$2,736         | \$30.16                | \$0.77               |
|                              | Council Bluffs, IA  | Baton Rouge, LA    | \$2,170         | \$23.92                | \$0.61               |
|                              | Evansville, IN      | Raleigh, NC        | \$1,841         | \$20.29                | \$0.52               |
|                              | Council, Bluffs, IA | Stockton, CA       | \$3,496         | \$38.54                | \$0.98               |
|                              | Kansas City, MO     | Dalhart, TX        | \$1,745         | \$19.24                | \$0.49               |
|                              | Columbus, OH        | Raleigh, NC        | \$1,750         | \$19.29                | \$0.49               |
|                              | Des Moines, IA      | Laredo, TX         | \$2,930         | \$32.30                | \$0.82               |
|                              | Minneapolis, MN     | Portland, OR       | \$3,310         | \$36.49                | \$0.99               |
| Soybeans                     | Chicago, IL         | Baton Rouge, LA    | \$2,736         | \$30.16                | \$0.82               |
|                              | Council Bluffs, IA  | Baton Rouge, LA    | \$2,799         | \$30.85                | \$0.84               |
|                              | Des Moines, IA      | Laredo, TX         | \$2,930         | \$32.30                | \$0.88               |
|                              | Evansville, IN      | Raleigh, NC        | \$1,841         | \$20.29                | \$0.55               |
|                              | Chicago, IL         | Raleigh, NC        | \$2,441         | \$26.91                | \$0.73               |
|                              | Chicago, IL         | Raleigh, NC        | \$2,441         | \$26.91                | \$0.73               |
| <b><u>Shuttle Train*</u></b> |                     |                    |                 |                        |                      |
| Wheat                        | St. Louis, MO       | Houston, TX        | \$1,895         | \$20.89                | \$0.57               |
|                              | Minneapolis, MN     | Portland, OR       | \$3,993         | \$44.01                | \$1.20               |
| Corn                         | Fremont, NE         | Houston, TX        | \$2,425         | \$26.73                | \$0.68               |
|                              | Minneapolis, MN     | Portland, OR       | \$3,090         | \$34.06                | \$0.87               |
| Soybeans                     | Council Bluffs, IA  | Houston, TX        | \$2,255         | \$24.86                | \$0.63               |
|                              | Minneapolis, MN     | Portland, OR       | \$3,110         | \$34.28                | \$0.87               |

\*A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

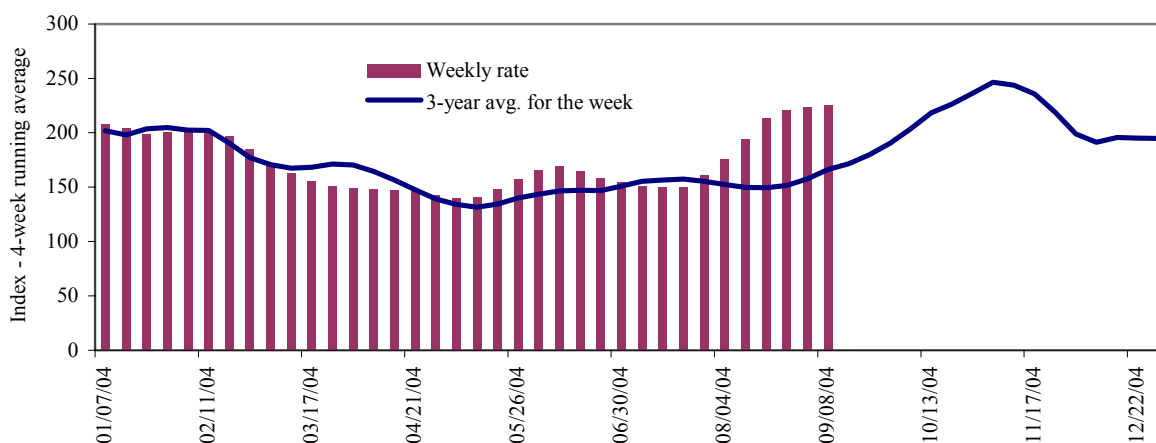
\*\*Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: [www.bnsf.com](http://www.bnsf.com), [www.cpr.ca](http://www.cpr.ca), [www.csx.com](http://www.csx.com), [www.uprr.com](http://www.uprr.com)

# Barge Transportation

Figure 5

Illinois River barge rate index - quotes



Note: Index = percent of tariff rate

Source: Transportation & Marketing Programs/AMS/USDA

The **Illinois River barge rate index** averaged 183 percent of the **benchmark tariff rates** between 1999 and 2001, based on weekly market quotes. The **index**, along with **rate quotes** and **futures market bids** are indicators of grain transport supply and demand.

Table 8--Barge rate quotes: southbound barge freight

| Location        | 9/8/2004 | 9/1/2004 | Oct '04 | Dec '04 |
|-----------------|----------|----------|---------|---------|
| Twin Cities     | 230      | 230      | 301     | 0       |
| Mid-Mississippi | 222      | 224      | 297     | 0       |
| Illinois River  | 228      | 221      | 295     | 204     |
| St. Louis       | 259      | 212      | 275     | 161     |
| Lower Ohio      | 266      | 239      | 291     | 170     |
| Cairo-Memphis   | 267      | 217      | 271     | 153     |

Index = percent of tariff, based on 1976 tariff benchmark rate

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Benchmark tariff rates

## Calculating barge rate per ton:

(Index \* 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8).

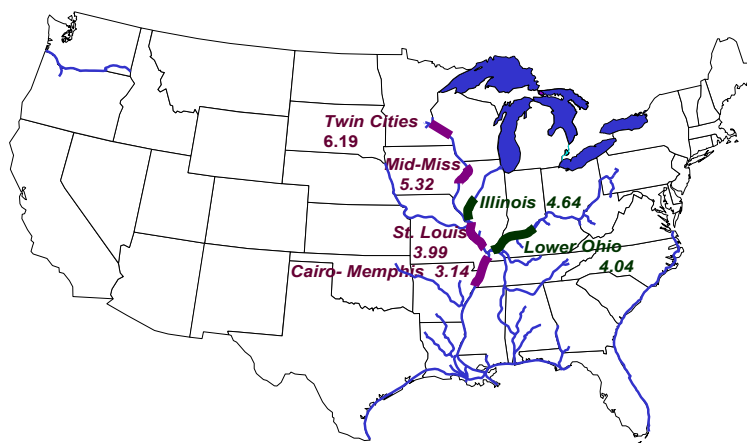
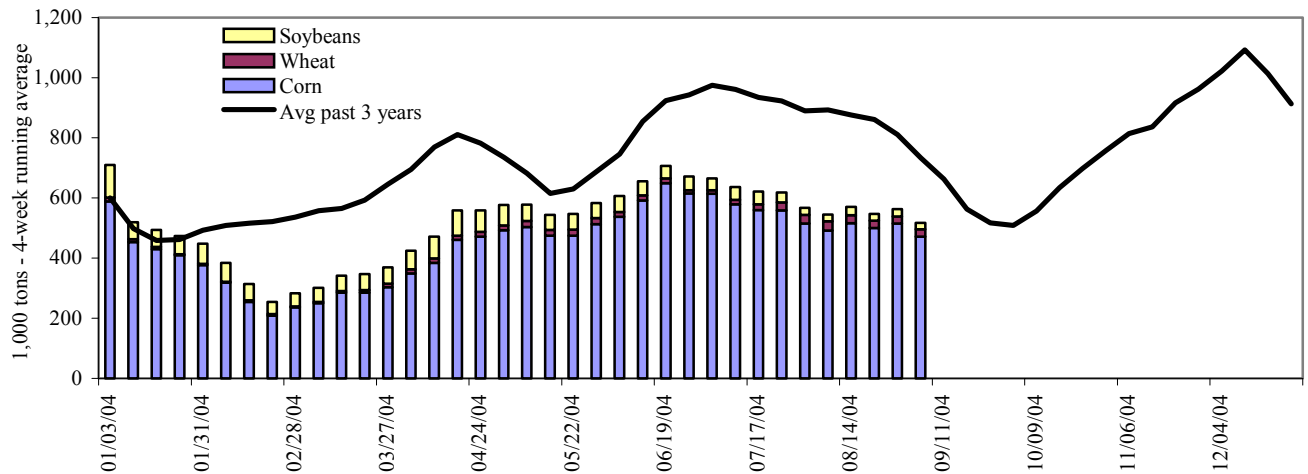


Figure 7

**Barge movements on the Mississippi River (Lock 27 - Granite City, IL)**

Source: Transportation &amp; Marketing Programs/AMS/USDA

**Table 9--Barge grain movements (1,000 tons)**

| Week ending 09/04/04       | Corn   | Wheat | Soybean | Other | Total  |
|----------------------------|--------|-------|---------|-------|--------|
| <b>Mississippi River</b>   |        |       |         |       |        |
| Rock Island, IL (L15)      | 72     | 26    | 5       | 0     | 103    |
| Winfield, MO (L25)         | 200    | 35    | 19      | 0     | 254    |
| Alton, IL (L26)            | 258    | 34    | 19      | 6     | 316    |
| Granite City, IL (L27)     | 239    | 36    | 19      | 6     | 300    |
| <b>Illinois River (L8)</b> | 45     | 0     | 3       | 6     | 54     |
| <b>Ohio River (L52)</b>    | 32     | 22    | 0       | 9     | 63     |
| <b>Arkansas River (L1)</b> | 1      | 43    | 10      | 3     | 57     |
| 2004 YTD                   | 17,962 | 2,116 | 2,872   | 502   | 23,451 |
| 2003 YTD                   | 20,225 | 1,970 | 5,495   | 572   | 28,262 |
| 2004 as % of 2003 YTD      | 89     | 107   | 52      | 88    | 83     |
| Total 2003                 | 29,898 | 2,787 | 9,146   | 695   | 42,526 |

YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1.

"Other" refers to oats, barley, sorghum, and rye.

Source: U.S. Army Corp of Engineers ([www.mvr.usace.army.mil/mvrimi/omni/webbrpts/default.asp](http://www.mvr.usace.army.mil/mvrimi/omni/webbrpts/default.asp))

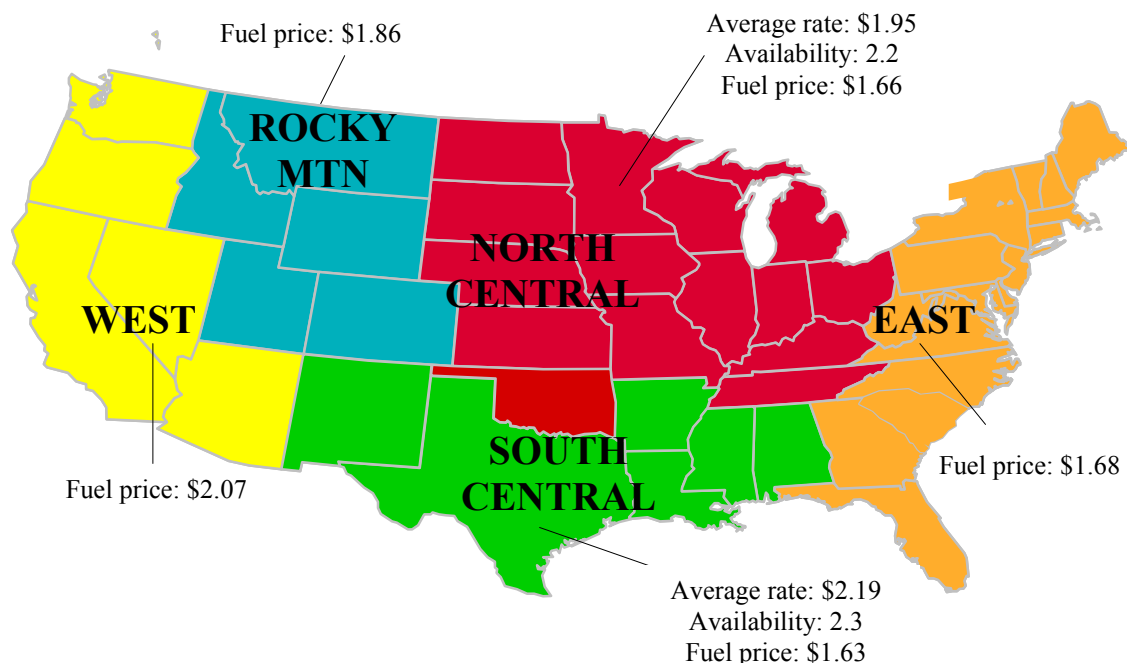
Note: Total may not add exactly, due to rounding



# Truck Transportation

Figure 8

U.S. grain truck market advisory, 2<sup>nd</sup> quarter 2004\*



\*Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles

Note: Fuel prices are a quarterly average (unit per gallon)

Fuel price data source: Energy Information Administration, U.S. Department of Energy, [www.eia.doe.gov](http://www.eia.doe.gov)

Table 10--U.S. grain truck market overview, 2<sup>nd</sup> quarter 2004

| Region/commodity*                       | 25 miles      | 100 miles   | 200 miles   | Truck availability   | Truck activity                | Future truck activity |
|---|---------------|-------------|-------------|--|-------------------------------|-----------------------|
|   | Rate per mile |             |             | Rating compared to same quarter last year<br>1=Very easy to 5=Very difficult |                               |                       |
|   |               |             |             |  | 1=Much lower to 5=Much higher |                       |
| <b>National average<sup>1</sup></b>     | <b>2.99</b>   | <b>1.98</b> | <b>1.73</b> | <b>2.2</b>   | <b>3.1</b>                    | <b>3.2</b>            |
| <b>North Central region<sup>2</sup></b> | 2.51          | 1.79        | 1.54        | 2.2  | 3.1                           | 3.2                   |
| Corn                                    | 2.68          | 2.08        | 1.75        | 2.3  | 3.5                           | 3.3                   |
| Wheat                                   | 2.18          | 1.53        | 1.36        | 2.0  | 2.9                           | 3.0                   |
| Soybean                                 | 2.68          | 2.08        | 1.75        | 2.3  | 3.3                           | 3.3                   |
| <b>South Central region<sup>2</sup></b> | 2.95          | 1.87        | 1.75        | 2.3  | 3.0                           | 3.3                   |
| Corn                                    | 2.95          | 1.87        | 1.75        | 2.3  | 3.0                           | 3.3                   |
| Wheat                                   | n/a           | n/a         | n/a         | 2.0  | 3.0                           | 3.0                   |
| Soybean                                 | 3.83          | 2.25        | 2.13        | 2.3  | 3.0                           | 3.5                   |

Rates are based on trucks with 80,000 lb weight limit

\*Commodity averages based on truck rates for top producing states based on National Agricultural Statistics Service/USDA

<sup>1</sup>National average includes: AR, CO, IA, IL, IN, KS, LA, MN, MS, ND, NE, OH, OK, OR, SD, TX, and WA.

<sup>2</sup>Commodity rates per mile include the average of the top 3 producing states within the region.

Source: Transportation and Marketing Programs/AMS/USDA

The weekly **diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

**Table 11--Retail on-highway diesel prices\*, week ending 09/13/04 (US\$/gallon)**

| Region | Location         | Price | Change from |          |
|--------|------------------|-------|-------------|----------|
|        |                  |       | Week ago    | Year ago |
| I      | East Coast       | 1.867 | 0.009       | 0.406    |
|        | New England      | 1.954 | 0.005       | 0.386    |
|        | Central Atlantic | 1.938 | 0.005       | 0.374    |
|        | Lower Atlantic   | 1.829 | 0.011       | 0.422    |
| II     | Midwest          | 1.847 | 0.002       | 0.387    |
| III    | Gulf Coast       | 1.826 | 0.007       | 0.416    |
| IV     | Rocky Mountain   | 1.919 | 0.001       | 0.377    |
| V      | West Coast       | 2.040 | 0.002       | 0.436    |
|        | California       | 2.131 | -0.005      | 0.483    |
| Total  | U.S.             | 1.874 | 0.005       | 0.403    |

\*Diesel fuel prices include all taxes.

Source: Energy Information Administration/U.S. Department of Energy ([www.eia.doe.gov](http://www.eia.doe.gov))

# Grain Exports

**Table 12--U.S. export balances (1,000 metric tons)**

| Week ending 1/                  | Wheat |       |       |       |       |           | Corn   | Soybeans | Total   |
|---------------------------------|-------|-------|-------|-------|-------|-----------|--------|----------|---------|
|                                 | HRW   | SRW   | HRS   | SWW   | DUR   | All wheat |        |          |         |
| 9/2/2004                        | 1,768 | 898   | 1,471 | 1,271 | 80    | 5,488     | 6,936  | 5,968    | 18,392  |
| This week year ago              | 2,262 | 568   | 1,355 | 747   | 178   | 5,108     | 7,626  | 8,064    | 20,798  |
| Cumulative exports-crop year 2/ |       |       |       |       |       |           |        |          |         |
| 2003/04 YTD                     | 2,784 | 1,258 | 2,013 | 1,088 | 183   | 7,325     | 230    | 72       | 7,627   |
| 2002/03 YTD                     | 3,161 | 1,028 | 1,606 | 945   | 250   | 6,990     | 461    | 40       | 7,491   |
| 2003/04 as % of 2002/03         | 88    | 122   | 125   | 115   | 73    | 105       | 50     | 180      | 102     |
| 2002/03 Total                   | 6,896 | 2,899 | 6,645 | 3,517 | 720   | 20,677    | 39,646 | 28,908   | 89,231  |
| 2001/02 Total                   | 8,704 | 5,485 | 5,554 | 3,127 | 1,133 | 24,003    | 47,460 | 29,838   | 101,301 |

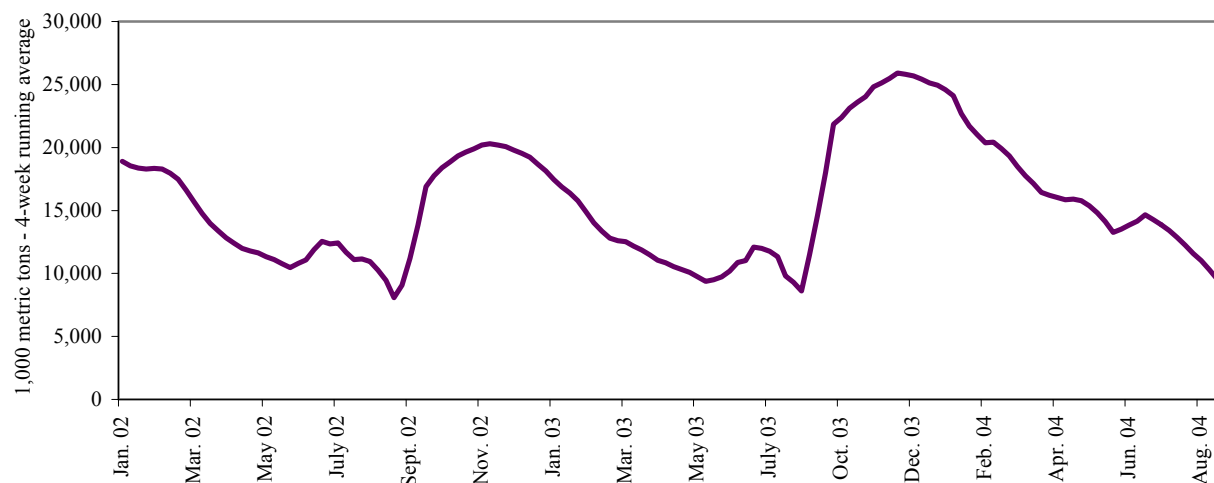
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current outstanding unshipped export sales to date

2/ = New crop year in effect for corn and soybean sales

Source: Foreign Agricultural Service/USDA ([www.fas.usda.gov](http://www.fas.usda.gov))

Figure 9

**U.S. grain, unshipped export balances (wheat, corn, and soybean sales)**



Source: Foreign Agricultural Service/USDA ([www.fas.usda.gov](http://www.fas.usda.gov))

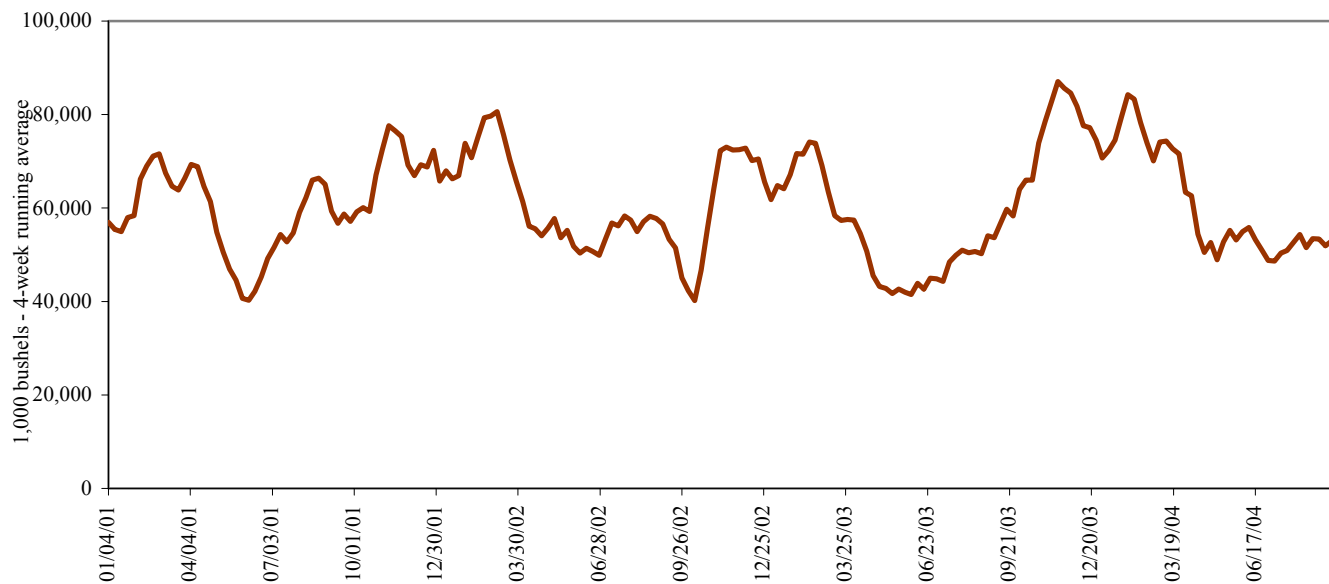
**Table 13—Select U.S. port regions - grain inspections for export (1,000 metric tons)**

| Week ending       | Pacific Region |       |          | Mississippi Gulf |        |          | Texas Gulf |      |          | Port Region total |             |       |
|-------------------|----------------|-------|----------|------------------|--------|----------|------------|------|----------|-------------------|-------------|-------|
|                   | Wheat          | Corn  | Soybeans | Wheat            | Corn   | Soybeans | Wheat      | Corn | Soybeans | Pacific           | Mississippi | Texas |
| 09/09/04          | 208            | 58    | 0        | 159              | 492    | 288      | 83         | 0    | 0        | 265               | 939         | 83    |
| 2004 YTD          | 8,149          | 7,688 | 1,934    | 5,365            | 22,228 | 6,776    | 6,191      | 51   | 14       | 17,771            | 34,369      | 6,257 |
| 2003 YTD          | 5,940          | 3,735 | 2,802    | 4,039            | 20,495 | 11,292   | 4,349      | 25   | 23       | 12,477            | 35,826      | 4,397 |
| 2004 as % of 2003 | 137            | 206   | 69       | 133              | 108    | 60       | 142        | 204  | 62       | 142               | 96          | 142   |
| 2003 Total        | 8,764          | 5,450 | 5,141    | 5,883            | 30,903 | 19,374   | 7,011      | 229  | 69       | 19,355            | 56,160      | 7,309 |

Source: Federal Grain Inspection Service/USDA ([www.usda.gov/gipsa](http://www.usda.gov/gipsa)); YTD: year-to-date

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Over 60 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2003.

Figure 10

**U.S. grain inspected for export (wheat, corn, and soybeans)**

Source: Federal Grain Inspection Service/USDA ([www.usda.gov/gipsa](http://www.usda.gov/gipsa))

# Ocean Transportation

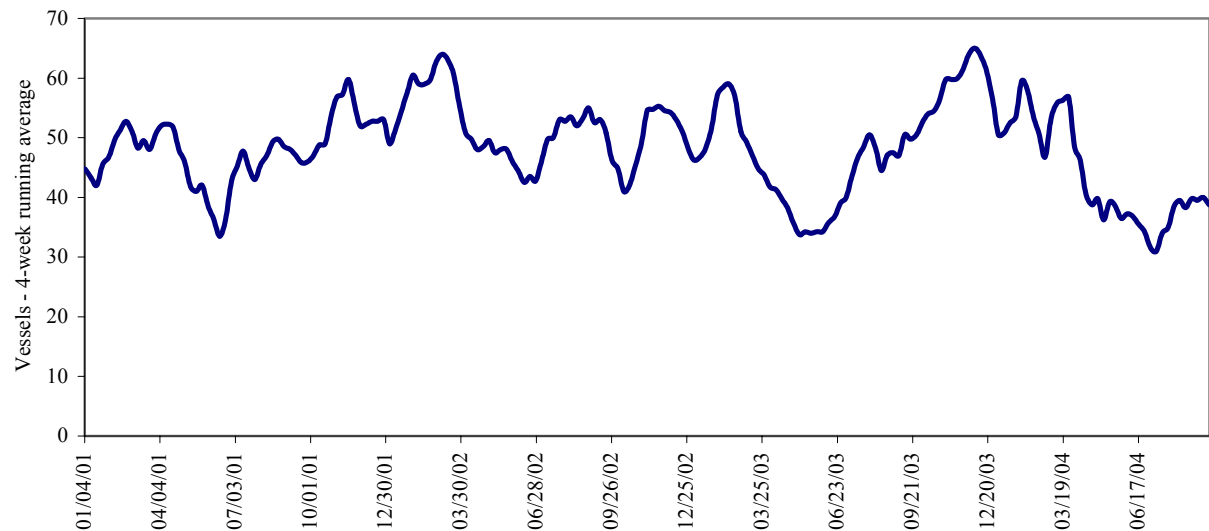
**Table 14--Weekly port region grain ocean vessel activity (number of vessels)**

| Date       | Gulf     |               |                  | Pacific Northwest | Vancouver B.C. |
|------------|----------|---------------|------------------|-------------------|----------------|
|            | In port  | Loaded 7-days | Due next 10-days | In port           | In port        |
| 9/9/2004   | 24       | 34            | 57               | 10                | 6              |
| 9/2/2004   | 15       | 42            | 53               | 10                | 3              |
| 2003 range | (11..47) | (30..76)      | (39..93)         | (3..13)           | (1..15)        |
| 2003 avg.  | 31       | 49            | 62               | 9                 | 6              |

Source: Transportation & Marketing Programs/AMS/USDA

Figure 11

**Gulf Port grain vessel loading (past 7 days)**



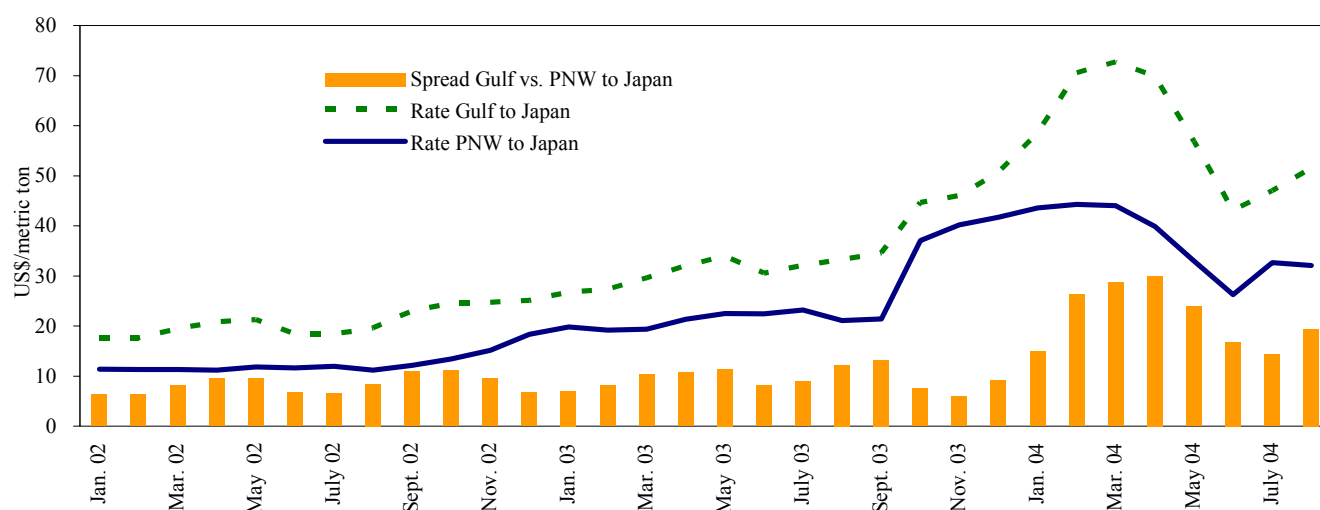
Source: Transportation & Marketing Programs/AMS/USDA

**Table 15--Quarterly ocean freight rates (average rates & percentage changes) (US\$/metric ton)**

| Countries/<br>regions | 2004<br>2nd qtr | 2003<br>2nd qtr | Percent<br>change | Countries/<br>regions      | 2004<br>2nd qtr | 2003<br>2nd qtr | Percent<br>change |
|-----------------------|-----------------|-----------------|-------------------|----------------------------|-----------------|-----------------|-------------------|
| <b>Gulf to</b>        |                 |                 |                   | <b>Pacific NW to</b>       |                 |                 |                   |
| Japan                 | \$37.00         | \$31.53         | 17                | Japan                      | ---             | \$19.43         | ---               |
| N. Europe             | ---             | \$18.98         | ---               | <b>Argentina/Brazil to</b> |                 |                 |                   |
| N. Africa             | \$35.33         | \$21.75         | 62                | Med. Sea                   | ---             | \$24.50         | ---               |
| Med. Sea              | ---             | \$14.50         | ---               | China                      | ---             | \$32.50         | ---               |

Source: Maritime Research, Inc. (www.maritime-research.com)

Figure 12

**Grain vessel rates, U.S. to Japan**

Source: Baltic Exchange (www.balticexchange.com)

**Table 16--Ocean freight rates for selected shipments, week ending 09/11/04**

| Export region     | Import region           | Grain        | Month      | Volume loads<br>(metric tons) | Freight rate<br>(\$/metric ton) |
|-------------------|-------------------------|--------------|------------|-------------------------------|---------------------------------|
| U.S. Gulf         | El Salvador*            | Soybean Meal | Sept 1/15  | 4,000                         | 75.75                           |
| U.S. Gulf         | St. Vincent Cape Verde* | Wheat        | Sept 10/20 | 4,300                         | 99.33                           |
| U.S. Gulf         | Japan                   | Hvy grain    | Aug 1/5    | 54,000                        | 50.00                           |
| U.S. Gulf         | Japan                   | Hvy grain    | Oct 1/5    | 54,000                        | 53.75                           |
| PNW               | Russia*                 | Wheat        | Oct 4/14   | 25,000                        | 77.01                           |
| PNW               | Eritrea*                | Wheat        | Sept 1/10  | 22,700                        | 69.10                           |
| Paranagua, Brazil | Wilmington              | Meals        | Sept 14/18 | 28,500                        | 40.00                           |

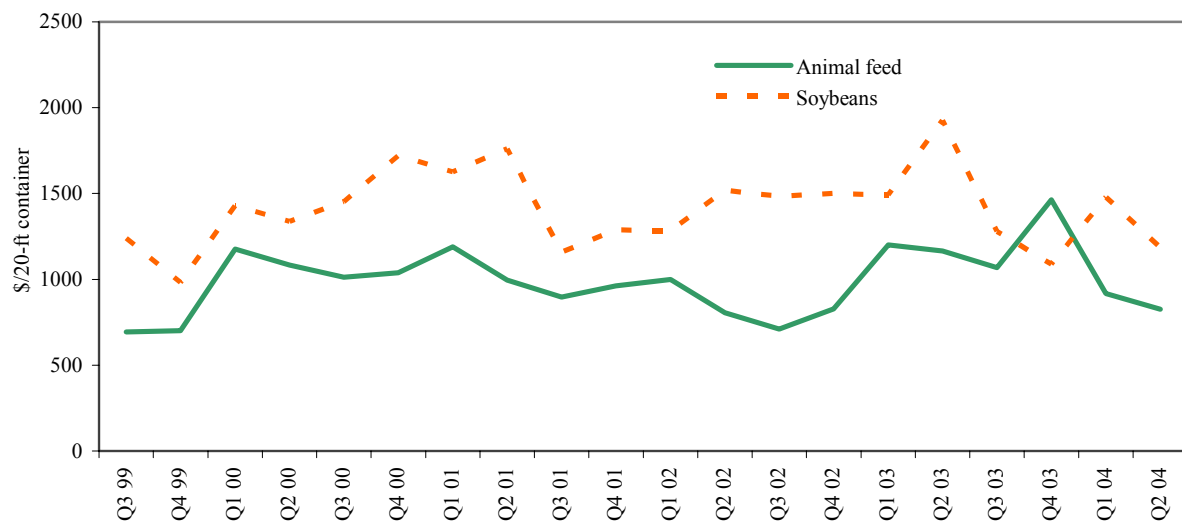
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

\*Most food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.

Source: Maritime Research Inc. (www.maritime-research.com)

Figure 13

**Weighted average rates<sup>1</sup> for containerized shipments of animal feed and soybeans to selected Asian countries**



<sup>1</sup> Animal Feed: Busan-Korea (14%), Kaohsiung-Taiwan (28%), Tokyo-Japan (36%), Hong Kong (19%), Bangkok-Thailand (3%) and soybeans: Busan-Korea (5%), Keelung-Taiwan (35%), Tokyo-Japan (60%)

Quarter 2, 2004.

Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

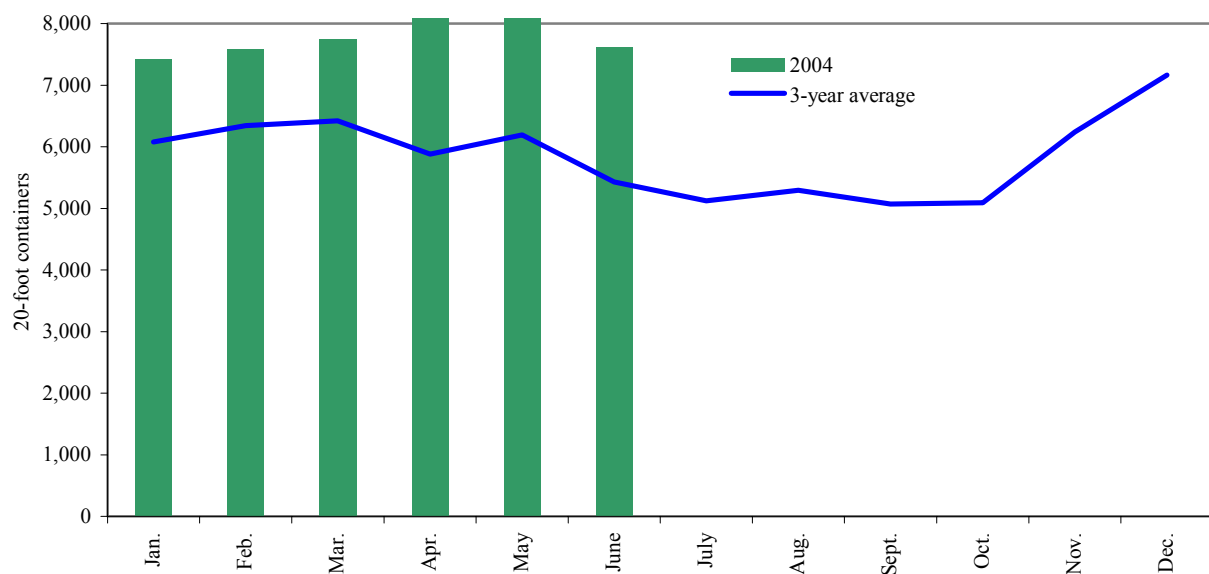
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Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

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Figure 14

**Monthly shipments of containerized grain for 2004 compared with a 3-year average**



Note: PIERS data is available with a lag of approximately 40 days

Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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## Related Websites

*Agricultural Container Indicators*  
*Ocean Rate Bulletin*

<http://www.ams.usda.gov/tmd2/agci/>  
<http://www.ams.usda.gov/tmd/Ocean/index.asp>

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